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BDO Ac'senseSM PROGRAM

► FINANCIAL ACCOUNTING HEADLINES

FASB Decides Some Types of Leases Should Result in Straight-Line Expense Treatment

- In June 2012, the FASB and the IASB agreed to a dual income statement approach for lessees. While leases would still be reflected on the balance sheet, certain leases including real estate would qualify for straight-line expense recognition. Other types of leases would still generate "front-loaded" expenses. Refer to BDO's quarterly *Significant Accounting and Reporting Matters Guide* for additional information.

FAF Establishes U.S. GAAP Private Company Council

- In May 2012, the Financial Accounting Foundation (FAF) established the Private Company Council to improve the standards-setting process in U.S. GAAP for private companies. Its purpose will be to determine whether exceptions or modifications to existing standards are necessary to meet the needs of private company financial statement users. Refer to BDO's Flash Report: U.S. GAAP Private Company Council for additional information.

EITF Proposes Three Interpretations During Q2 2012

- The FASB Emerging Issues Task Force issued three draft interpretations for comment during the second quarter: cash flow presentation of sales of donated securities by non-profit entities; subsequent accounting for indemnification assets in a government-assisted acquisition of a financial institution; and impairment analyses of unamortized film costs. Refer to BDO's quarterly *Significant Accounting and Reporting Matters Guide* for additional information.



Final Rule - Listing Standards for Compensation Committees

- On June 20, 2012, the SEC voted to adopt compensation committee rules mandated by Section 952 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the Dodd-Frank Act). The new rule 10C-1, implements the Act's requirement to direct the national securities exchanges to adopt listing standards related to the compensation committees of companies' boards of directors as well as their compensation advisors. Refer to BDO's quarterly *Significant Accounting and Reporting Matters Guide* for additional information.

► IASB/JOINT PROJECTS

BDO Pulse on IFRS - [Click here to take our brief BDO IFRS survey!](#)

IASB and FASB Continue

Convergence Efforts - In addition to agreeing upon a dual income statement

FASB to Address Disclosure Overload and Cost-Benefits of Standard Setting

- During the June 2012 Compliance Week Annual Conference, FASB Chairman Leslie Seidman discussed the FASB's plans in the coming weeks to unveil proposals aimed at reducing "disclosure overload" through establishment of a disclosure framework designed to improve quality and disclosure effectiveness and make financial statements more understandable. Chairman Seidman also reviewed the FASB's approach to analyzing the costs and benefits in its standard setting. Stay tuned for the soon-to-be-released FASB Discussion Paper on this topic. Refer to BDO's quarterly *Significant Accounting and Reporting Matters Guide* for additional information.

► SEC AND PCAOB HIGHLIGHTS
The Jumpstart Our Business Startups

Act - On April 5, 2012, President Obama signed the Jumpstart Our Business Startups (JOBS) Act into law. A primary goal of the JOBS Act is to improve small companies' access to public capital markets. The Act amends a number of provisions within securities laws to ease the process and costs associated with raising capital from the public. To encourage private companies to complete initial public offerings of their equity, the Act creates a new category of filers called emerging growth companies, which are entitled to certain reporting relief. To date, the SEC staff has issued several sets of frequently asked questions to assist companies with the application of the Act's provisions.

approach for leases (see above), the Boards issued a joint progress report to the Financial Stability Board in April 2012, reiterating their commitment to complete the major convergence projects with issuance of final standards by mid-2013. Additional information is available from BDO's quarterly *Significant Accounting and Reporting Matters Guide*.

Release of BDO IFRS Self-Study Courses

- In addition to several Ac'sense IFRS self-study courses currently available, BDO has expanded its course offerings by building a library of brief IFRS modules on various topics of significant interest, ranging from adoption and implementation to specific accounting topics including financial instruments and income taxes.



n. **1.** BDO's program designed to help financial executives and those charged with governance (e.g., audit committees and board members) keep up to date on the latest corporate governance and financial reporting developments. adj. **2.** *Accented* service received year-round from BDO to keep you in the know.